

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7873
BILL NUMBER: SB 598

DATE PREPARED: Jan 14, 1999
BILL AMENDED:

SUBJECT: Adult Literacy Program.

FISCAL ANALYST: David Hoppmann
PHONE NUMBER: 232-9559

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

STATE IMPACT	FY 1999	FY 2000	FY 2001
State Revenues			
State Expenditures		550,000	550,000
Net Increase (Decrease)		(550,000)	(550,000)

Summary of Legislation: This bill would establish the Department of Education (DOE) Adult Literacy Program (the Program) to provide state grants to increase the capacity of volunteer literacy programs. It would require DOE to contract with the Indiana Literacy Foundation (the Foundation) to administer the state grants. The bill appropriates \$550,000 annually from the State General Fund to the Program, and would require the entire amount to be used only for distribution to the Foundation for making grants and for administrative expenses.

Effective Date: July 1, 1999.

Explanation of State Expenditures: For FY 2000 and FY 2001, respectively, this bill appropriates \$550,000 to DOE in order to increase the capacity of volunteer literacy programs in Indiana. It would require DOE to contract with the Foundation to administer and award state grants.

The bill would require that all monies be distributed to the Foundation, and that at least 88% of the monies be issued as state grants (\$484,000), and not more than 12% of the monies be used for administrative expenses (\$66,000).

FOUNDATION BACKGROUND

The Foundation is a not-for-profit organization that works with approximately 300 volunteer literacy programs across Indiana to ensure that Indiana communities receive quality literacy services. Member representation on the Board of Directors ranges from business, education and marketing to legal areas of expertise.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected:

Information Sources: Gael Deppert, Director, Indiana Literacy Foundation (317) 233-5332.